

VZCZCXR07929
PP RUEHFK RUEHKSO RUEHNAG RUEHNH
DE RUEHKO #1938/01 2330617

ZNR UUUUU ZZH

P 210617Z AUG 09

FM AMEMBASSY TOKYO

TO RUEHC/SECSTATE WASHDC PRIORITY 5624

INFO RUEKJCS/SECDEF WASHDC PRIORITY

RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY

RUEAWJA/USDOJ WASHDC PRIORITY

RULSDMK/USDOT WASHDC PRIORITY

RUCPDOC/USDOC WASHDC PRIORITY

RUEAIIA/CIA WASHDC PRIORITY

RUEKJCS/Joint STAFF WASHDC//J5//

RHHMUNA/HQ USPACOM HONOLULU HI

RHHMHBA/COMPACFLT PEARL HARBOR HI

RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//

RHMFIUU/USFJ //J5/J021//

RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA

RUAYJAA/CTF 72

RUEHNH/AMCONSUL NAHA 8346

RUEHFK/AMCONSUL FUKUOKA 6015

RUEHOK/AMCONSUL OSAKA KOBE 9822

RUEHNAG/AMCONSUL NAGOYA 3431

RUEHKSO/AMCONSUL SAPPORO 6528

RUEHBJ/AMEMBASSY BEIJING 0557

RUEHUL/AMEMBASSY SEOUL 7220

RUCNDT/USMISSION USUN NEW YORK 6848

UNCLAS SECTION 01 OF 10 TOKYO 001938

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
SECDEF FOR JCS-J-5/JAPAN,
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAQ](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 08/21/09

INDEX:

- (1) Editorial: DPJ should present vision for firmly upholding Japan-U.S. alliance (Sankei)
- (2) Major differences exist between war memorials in Japan, U.S., China (Sankei)
- (3) Poll on Aso cabinet, political parties, general election (Yomiuri)
- (4) Lower House election 2009 (Part 3): Can they defend Japan's security? (Yomiuri)
- (5) 2009 Lower House election to choose government (Part 1): Voters also being tested (Nikkei)
- (6) 2009 Lower House election to choose government (Part 2): Hopes for the administration to halt the decline in national power (Nikkei)
- (7) Still 174 hereditary candidates running in Lower House election (Mainichi)
- (8) Water-treatment industry: Government to support Japanese firms' plans to branch out overseas; JBIC signs MOU with Singapore's Hyflux (Yomiuri)

ARTICLES:

- (1) Editorial: DPJ should present vision for firmly upholding Japan-U.S. alliance

SANKEI (Page 2) (Full)

August 21, 2009

New U.S. Ambassador to Japan John Roos has arrived at his post in Tokyo. The reason for his unusually early arrival amid the campaigning for the House of Representatives election underway is

probably to see the election campaign thoroughly in order to prepare for developments in Japan-U.S. relations under the new Japanese administration.

How to strengthen and develop the Japan-U.S. alliance is the major campaign issue that constitutes the most important element of diplomatic and security policy. However, it is hard to say that the Democratic Party of Japan (DPJ), which might take over the reins of government, has presented the future course of Japan for the 21st century to the public because the DPJ's manifesto includes many unclear campaign pledges. It is necessary for the DPJ to convey concrete ideas so that the Japan-U.S. alliance will not be undermined or the bilateral relationship will not be forced to stray off course.

The problem lies in a divergence of views between the DPJ and the Liberal Democratic Party (LDP) over the Maritime Self-Defense Force's refueling mission in the Indian Ocean and the realignment of U.S. bases in Okinawa. The LDP pledges to maintain the MSDF's refueling operations, considering that the refueling mission and assistance for the reconstruction of Afghanistan are the two key strategies for the war on terror by the international community. It also pledges to steadily implement USFJ realignment based on the agreement between the Japanese and U.S. governments.

Meanwhile, the DPJ pledges to end the refueling mission next January and withdraw the MSDF, but it has yet to explain what Japan should do in place of the refueling mission and Japan's specific international contributions. Regarding the U.S. bases in Okinawa, DPJ President Yukio Hatoyama said: "Relocating (U.S. Maritime Corps'

TOKYO 00001938 002 OF 010

Air Station Futenma) overseas is desirable. We expect (Futenma) to be relocated out of Okinawa at least." The USFJ realignment program agreed (in May 2006) by Tokyo and Washington after three years of negotiations could be returned to square one.

Another concern is that the Social Democratic Party (SDP), which is expected to form a coalition government with the DPJ, pledges to abrogate a special agreement on Japan's host-nation support for USFJ, as well as abolish the bilateral accord on the relocation of U.S. Marines from Okinawa to Guam, and oppose the construction of a U.S. base in the Henoko district. The SDP also opposes the deployment of U.S. carrier-borne aircraft in Yokosuka. There are many contradictions in the campaign pledges of the SDP, which appears to be taking an anti-American policy and opposing the Japan-U.S. alliance, and the DPJ, which pledges to build a close and equal Japan-U.S. alliance relationship.

The Obama administration's officials in charge of Japan policy attach great importance to the refueling operations in the Indian Ocean, Japan-U.S. Status of Forces Agreement (SOFA), and USFJ realignment. These three issues touch on the fundamentals of the bilateral alliance. Therefore, the DPJ should explain its views on the three issues to the public. Regardless of ideological inclinations, common foundations are necessary for diplomatic and security policies.

The LDP shows a stance of allowing the use of force in collective self-defense. It is commendable that the LDP pledges to set up a national security council in order to strengthen the function of the Prime Minister's Official Residence (Kantei). However, this could have been realized before if a political decision was made. The LDP should demonstrate a clearer stance before election day.

(2) Major differences exist between war memorials in Japan, U.S., China

SANKEI (Page 7) (Excerpts)
August 20, 2009

By Kunihiro Miyake

There are war memorials in Pearl Harbor, Hiroshima, Nagasaki and Beijing. These facilities are all designed to remind visitors of

past events and have them pray for peace in the future. But the messages of these facilities are largely different in content and objective.

The USS Arizona Memorial in Pearl Harbor, which is only accessible by boat, is a simple structure with the names of the war dead inscribed on the marble wall. On the wall above the entrance is a plaque that reads, "In honor and in commemoration of the members of the Armed Forces of the United States who gave their lives for their country during the attack on Pearl Harbor in Hawaii on December 7, 1941."

Neither a description of the "cowardliness" of the sneak attack nor the name of the attacker is found in the memorial. Rather attention is drawn to exhibits examining why the U.S. military failed to predict and prevent the attack and why the military failed to defend ordinary citizens.

TOKYO 00001938 003 OF 010

"The overall theme is rest in peace," said the memorial's architect. "In order to have the visitors deeply examine their own feelings, we avoided excessively emphasizing misery." The memorials in Hiroshima and Nagasaki, the two cities in Japan that suffered nuclear bombing, offer a similar message.

The inscription on the Hiroshima Cenotaph in the Hiroshima Peace Memorial Park is shorter than the Arizona Memorial's. "Please rest in peace," it says. "We will never make the same mistake." The Peace Statue in Nagasaki Peace Park bears no inscription.

There are no detailed explanations about who made the "mistake" and what kind of "mistake" was made. As a member of the Hiroshima City government explained, "The inscription aims to have all people pray for the souls of the atomic-bomb victims and pledge not to make the mistake of waging war again."

Displays in the museums in Hiroshima and Nagasaki underscore the distress of the destruction caused by atomic bombing, but such expressions as "savagery" or "slaughter" are nowhere in sight. The memorials give an opportunity for visitors to think deeply (of the tragedy of the war), like the Arizona Memorial.

But the memorial hall in Nanjing sends a totally different message. Its official name (Nanjing Massacre Memorial Hall) tells everything. Conspicuously displayed in the front garden is the official number of victims.

Descriptions of "cruel acts" accompanied by pictures and the name of aggressor that "violated international law" are found among the displays in the hall. It is far from being a place conducive to reflection. It has no exhibits examining why the Chinese military was unable to protect its citizens.

The displays in the memorial hall in Nanjing have elicited all sorts of debate and criticism. People should clearly know there are differences in the contents and purposes of the war memorials in Japan, the U.S. and China.

The author would like readers to ponder the best way to mourn the war dead, in the belief that a tranquil state of mind and cool judgment are essential in considering such a serious issue as war and peace.

(3) Poll on Aso cabinet, political parties, general election

YOMIURI (Page 2) (Full)
August 21, 2009

Questions & Answers
(Figures shown in percentage)

Q: Are you interested in the upcoming general election for the House of Representatives?

Very interested 58.6

Somewhat interested 29.9
Not very interested 7.8
Not interested at all 3.1
No answer (N/A) 0.6

Q: Are you going to vote in the general election?

TOKYO 00001938 004 OF 010

Yes, definitely (including early voting) 74.7
Yes, if possible 20.4
Probably not 2.2
No 1.7
N/A 1.0

Q: Do you support the Aso cabinet?

Yes 20.2
No 61.9
N/A 17.9

Q: Which political party do you support now?

Liberal Democratic Party (LDP) 26.7
Democratic Party of Japan (DPJ or Minshuto) 32.2
New Komeito (NK) 4.3
Japanese Communist Party (JCP) 2.8
Social Democratic Party (SDP or Shaminto) 1.5
People's New Party (PNP or Kokumin Shinto) 0.4
Your Party (YP or Minna no To) 0.6
Reform Club (RC or Kaikaku Kurabu) 0.0
New Party Nippon (NPN or Shinto Nippon) 0.1
Other political parties 0.3
None 20.5
N/A 10.6

Q: What do you attach importance to when voting in the general election?

Economy, job security 25.7
Social security, such as pensions 36.2
Low birthrate, childcare 10.1
Taxation, such as consumption tax 7.4
Foreign relations, national security 3.3
Central government reform 6.0
Decentralization 1.8
Politics and money 4.0
Other answers 1.2
N/A 4.3

(4) Lower House election 2009 (Part 3): Can they defend Japan's security?

YOMIURI (Page 1) (Abridged slightly)
August 21, 2009

Takuji Kawada, chief of the international department

When I was sorting out old documents the other day, one photograph caught my eye. It was a photograph of Taro Aso and Yukio Hatoyama standing behind former Deputy Prime Minister Michio Watanabe. It was taken by me in a Pyongyang suburb in March 1995.

At the time, Aso was serving as deputy secretary general of the Liberal Democratic Party (LDP) and Hatoyama as secretary general of the New Party Sakigake (Sakigake). Aso and Hatoyama were members of the delegation to Pyongyang sent by the coalition government composed of the LDP, the Social Democratic Party of Japan, and Sakigake with the aim of resuming normalization talks with North Korea.

TOKYO 00001938 005 OF 010

An agreement was reached on resumption of the talks after a fierce

debate between the Japanese delegation and the North Korean side. But since then the abduction and nuclear issues have emerged, and the agreement has turned into a dead letter. That was 14 years ago. Aso and Hatoyama are now vying for the helm of government and North Korea poses a threat to Japan. The environment surrounding Japan's diplomatic and security policies is now more severe than ever. In addition to North Korea, China has been expanding its military capabilities at a rapid pace. Under such circumstances, serious efforts are underway to turn the U.S.-Japan alliance, in which one party unilaterally defends the other, into a relationship where both defend each other.

Japan will go to the polls (on Aug. 30) in the midst of this severe security environment.

All political parties have released their manifestos (campaign pledges) that center on "people's livelihoods." Needless to say, "people's livelihoods" do not mean anything without "national security."

To which party - the LDP or the Democratic Party of Japan (DPJ) - is the Japanese public going to leave "Japan's security"? The upcoming election will provide the answer to that question.

The DPJ's policies seem undependable. The DPJ manifesto indicates that the party will build a close and equal Japan-U.S. relationship. What does that mean? Has the bilateral relationship not been close or equal? The DPJ manifesto does not specify how the party is going to achieve that.

Further, the DPJ has said that it will terminate the Maritime Self-Defense Force's refueling mission in the Indian Ocean next January.

"We can come up with a different approach that is more acceptable," President Hatoyama declared. But the party has yet to explain what that different approach to international contribution specifically means.

Other countries are keeping eyes on the ambiguity of the DPJ manifesto. Michael Green, former senior director for Asian affairs at the White House National Security Council, predicted that under a DPJ administration, the decision-making process will be more fluid and more unpredictable.

Meanwhile, the LDP manifesto specifically says: "We will strengthen the Japan-U.S. alliance. We will reinforce strategic talks, planning, joint exercises and training with the United States."

Vowing to take steps toward allowing Japan to intercept ballistic missiles targeting the United States, the LDP manifesto also promises to reexamine the government's interpretation of the right to collective self-defense. All those pledges sound convincing all the more because the party has already been in charge of policies.

As the saying "diplomacy does not lead to votes" suggests, the level of interest in security is much lower than in childrearing, the economy, employment and the like. Debates must be conducted before risk becomes reality. All political parties must discuss the security of Japan, and voters should cast their ballots after

TOKYO 00001938 006 OF 010

closely monitoring them.

(5) 2009 Lower House election to choose government (Part 1): Voters also being tested

NIKKEI (Page 1) (Abridged)
August 19, 2009

By Yasuhiro Tase, guest columnist

The Aug. 30 House of Representatives election was officially announced yesterday, kicking off campaigning for the election, which could bring about a change of government. Japan's voters appear to be feeling great dissatisfaction with the Liberal Democratic Party

(LDP) and great apprehension about the possibility of the Democratic Party of Japan (DPJ) taking the reins of government. The probability of a change of government is higher than at any past Lower House election since the 1955 political structure was introduced.

The upcoming election is a major test not just for political parties and politicians but also for voters. The Japanese voters are being asked to make a crucial choice based on their own ideas about the future of Japan.

But the campaign manifestos (policy pledges) of the LDP and the DPJ, which are vying for political power, are of little help. They are filled with small-scale proposals and include some bizarre buzzwords. For instance, the LDP coins a new word, "sekinin-ryoku (responsibility capability)". They might be interested only in drawing public attention. The fact that the political world is generating queer Japanese words such as "sekinin-ryoku" and "toshuryokuoyiirey (party leader power)" is a problem. The two parties probably hired advertising copywriters to create such words. They need to realize that election campaigning is different from sales campaigns for new products.

The manifestos do not clarify what key issues the two parties are fighting over.

Their manifestos do not give clear ideas about what kind of future they envision for the nation and society. It seems that the election is simply a battle between the two parties to grab power.

Transferring power from time to time is desirable. Even so, from the viewpoint of the nation's policy consistency and international credibility, bringing about drastic changes on both the domestic and diplomatic fronts through a power transfer is undesirable. This means that there should be regular communication on key policy issues between the ruling and opposition parties.

In the latest party-head debate, no party head took a clear position on the key issue of whether to continue to try to establish a small government.

On the issue of decentralization, too, no serious debate has been conducted between the two camps. Political parties have hardly scratched the surface of such important issues as constitutional revision, Japanese nationals abducted by North Korean agents, Japan's nuclear option, and the propriety of the prime minister's annual visit to Yasukuni Shrine.

With the memories of World War II rapidly fading away, it is

TOKYO 00001938 007 OF 010

important for Japanese political parties to make a renewed pledge to prevent Japan from waging war under any circumstances now that 64 years have passed since the end of WWII. This is the right time for Japan to do so because the nation has begun to launch activities that were once regarded as constitutionally unacceptable, such as the overseas deployment of Self-Defense Force troops.

It is distressing to think that the political, economic, and social confusion that Japan is engulfed in could be left for future generations to deal with.

The upcoming general election should be defined as a starting point to build a new Japan.

(6) 2009 Lower House election to choose government (Part 2): Hopes for the administration to halt the decline in national power

NIKKEI (Page 1) (Full)
August 21, 2009

Akio Fujii, member of editorial board

The first major diplomatic event for the next prime minister who will take office after the House of Representatives election is the UN General Assembly, followed by the G-20 financial summit in Pittsburgh, both of which will take place in late September.

"No. 2 position" in peril

This may be the last meeting that the Japanese prime minister attends as the world's number-two economic power.

Japan's nominal GDP in 2008 was 4.9 trillion dollars, while China's was 4.4 trillion dollars. The difference is only 500 billion dollars. If the Chinese economy continues to grow and the yuan keeps appreciating, China's GDP in dollar terms may surpass Japan's this year or next year.

The overall ranking of national power among the G-20 released recently by a South Korean private sector think tank, the Hansun Foundation for Freedom & Happiness, has already factored in Japan's and China's switching places. The foundation ranks the top four countries, in descending order, as follows: the U.S., China, Japan, and the U.K.

Japan surpassed the former West Germany in GDP in 1968. Since then, Japan has boasted of being the world's second largest economic power, after America. The phrase "cooperation between the world's no. 1 and no. 2 economies" has been used over and over again during Japan-U.S. summits.

Japan has provided generous official development assistance (ODA) and contributions to the International Monetary Fund (IMF) and other international organizations, despite being ridiculed as the ATM of the world. The general consensus among the people has been that while Japan does not aspire to become a military power, it will make international contributions in economic terms that befit the world's second largest economy.

Now that the "no. 2 position" is in peril, how will Japan's position in the world change?

TOKYO 00001938 008 OF 010

For sure, there is the argument that it is meaningless to compete in size of the economy. China's per capita GDP is still about one-tenth of Japan's, so there is no need to make a fuss about falling from the position of no. 2 economy.

However, there is no denying that the size of the economy is what counts in the international community. Even though they are in the top tier in per capita GDP, countries like Luxemburg or Norway are not members of the G-8.

Furthermore, Japan's population will decline rapidly in the future due to the sagging birth rate. According to government estimates, the size of the population will shrink to 89 million from the current 120 million by 2055. People aged 15-64 years will constitute only 50 percent of the population, while senior citizens aged 75 years or older will make up 27 percent.

The next administration has the responsibility to show the people a clear vision for the future of a Japan that will inevitably face a shrinking economy and population in the long term. It should not only put forward short-term economic stimulation measures, but also social security and fiscal reforms. In this context it should present a growth strategy in response to the declining birth rate and graying of society.

Concrete policies unclear

Let us look at the manifestos (campaign pledges). The Liberal Democratic Party promises to "raise the per capital GDP to the highest level in the world in the next 10 years," but fails to give a concrete strategy for the achievement of this goal.

The Democratic Party of Japan talks about "contributing to the world through an independent foreign policy," but judging from the controversy over the wording of its pledge on the Japan-U.S. free trade agreement (FTA), it does not appear to have a comprehensive strategy.

What happened to Germany (the former West Germany) after it ceded the position of second largest global economy to Japan in 1968? After undergoing a period dubbed "European sclerosis," when it was plagued by unemployment among youth and the devastation of the regional economies, it was unified with the former East Germany after the fall of the Berlin Wall. It eventually found a future playing a central role in the European economy and in currency unification.

Japan has taken for granted its status as a major economic power in the past 40 years. It is now facing a choice as this status is less solid than before.

Will it choose to engage in the reform of economic structures, become more open, and embrace the vitality of other Asian countries to put the brakes on its decline in economic power and maintain a degree of influence in the world?

Or will it conclude that it is acceptable to do nothing about the closed economic structures, let its population and economic power shrink, and allow itself to slowly fade from the world stage? In reality it is not even easy to be an "average country" where people live reasonably well.

TOKYO 00001938 009 OF 010

This important choice that must be made should be debated more thoroughly in the election campaign.

(7) Still 174 hereditary candidates running in Lower House election

MAINICHI (Page 5) (Excerpts)
August 19, 2009

Daisuke Nohara, Ai Yokota

The official campaign for the House of Representatives election where the voters will be asked to "choose an administration" has started on August 18, and a total of 1,374 candidates are now campaigning vigorously. The Liberal Democratic Party (LDP) is fielding 326 candidates, while the Democratic Party of Japan (DPJ) has 330 candidates, and the two parties are competing to become the number one party. The New Komeito and the other parties are also hoping to expand their party's political force. In this election, where the outcome may lead to major changes in the political map, what are the characteristics of the political parties' candidates who are aiming to take charge of the administration? We analyzed the candidates in terms of whether they are hereditary candidates - since hereditary Diet members are a common issue for both ruling and opposition parties - their places of birth, age, and other attributes.

According to Mainichi Shimbun's survey, the parents or other relatives of 174 (13 percent) of the 1,374 candidates running this time also used to be Diet members. Hereditary candidates make up 35 percent of all LDP candidates, which stands out in comparison with the DPJ's 11 percent, reflecting a significant difference between these two parties.

The breakdown of the 174 hereditary candidates is: 113 from the LDP, 37 from the DPJ, 2 from the New Komeito, and 22 from the other parties. The Social Democratic Party and the Japanese Communist Party are not fielding any hereditary candidates. While a simple comparison is not completely accurate, the percentage of hereditary LDP candidates has increased by 4 points from 2005, while the figure has gone down by 3 points for the DPJ.

(8) Water-treatment industry: Government to support Japanese firms' plans to branch out overseas; JBIC signs MOU with Singapore's Hyflux

YOMIURI (Page 2) (Abridged)
August 20, 2009

Izuru Sanemori, Singapore

The Japan Bank for International Cooperation (JBIC) signed a memorandum of understanding (MOU) on Aug. 19 with Hyflux Ltd., Singapore's top water purification company. The JBIC is expected to finance Hyflux's overseas water projects that involve Japanese firms. The aim is to absorb foreign firms' plant operation and management know-how for transfer to Japanese firms.

By teaming up with Hyflux, Japanese firms will take part in international bidding for seawater desalination and sewage treatment projects in China, India, the Middle East, and North Africa -- areas that are likely to continue suffering water shortages.

TOKYO 00001938 010 OF 010

Japanese firms will be involved in the construction, operation and management of plants, in addition to the procurement of materials, such as water treatment membranes, for which they possess the world's most advanced technology. Reportedly trading firms, plant manufacturers, and investment companies have already shown interest. In many cases, seawater desalination projects cost between 100 billion and 1 trillion yen. The JBIC will support such projects by providing loans and capital injection premised on Japanese participation.

Listed on the Singapore Exchange, Hyflux operates in fields ranging from research on water treatment membranes to the operation and management of facilities. Accelerating overseas operations, the company's sales grew threefold from the previous term to 554 million Singapore dollars (36 billion yen) in the calendar year ending December 2008. The MOU with the JBIC is expected to help Hyflux raise funds in a stable manner.

The world's water business is dominated by a small number of foreign firms with excellent know-how regarding plant operation and management. Japanese firms have been limited to the role of subcontractors providing materials and the like.

Regarding the water business as a growth area, the Japanese government intends to expedite efforts to create a major Japanese water-treatment company.

ROOS